Defense Acquisition Domain (Sourcing) (DADS) Analysis of Alternatives (AoA) Status Update

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AFMC/PKS
FRB Meeting (2-4 Jun 04)

Overview

- Purpose
- Planned Approach
  - Schedule
  - Functional Solution Analysis Study Plan
  - Organizational Structure
  - Ground Rules and Assumptions
- Accomplishments and Next Steps
- Communication Media

Purpose of Doing an AoA

What are Some of the Reasons for Doing AoAs?

- Justify need for starting, stopping or continuing an acquisition program
- Support decision making
  - Requirements Generation & Modernization Planning
  - Planning, Programming & Budgeting System (PPBS)
- Support Decision Makers by providing reliable, objective assessments of the options available for meeting real mission needs, based on cost, effectiveness, and risk

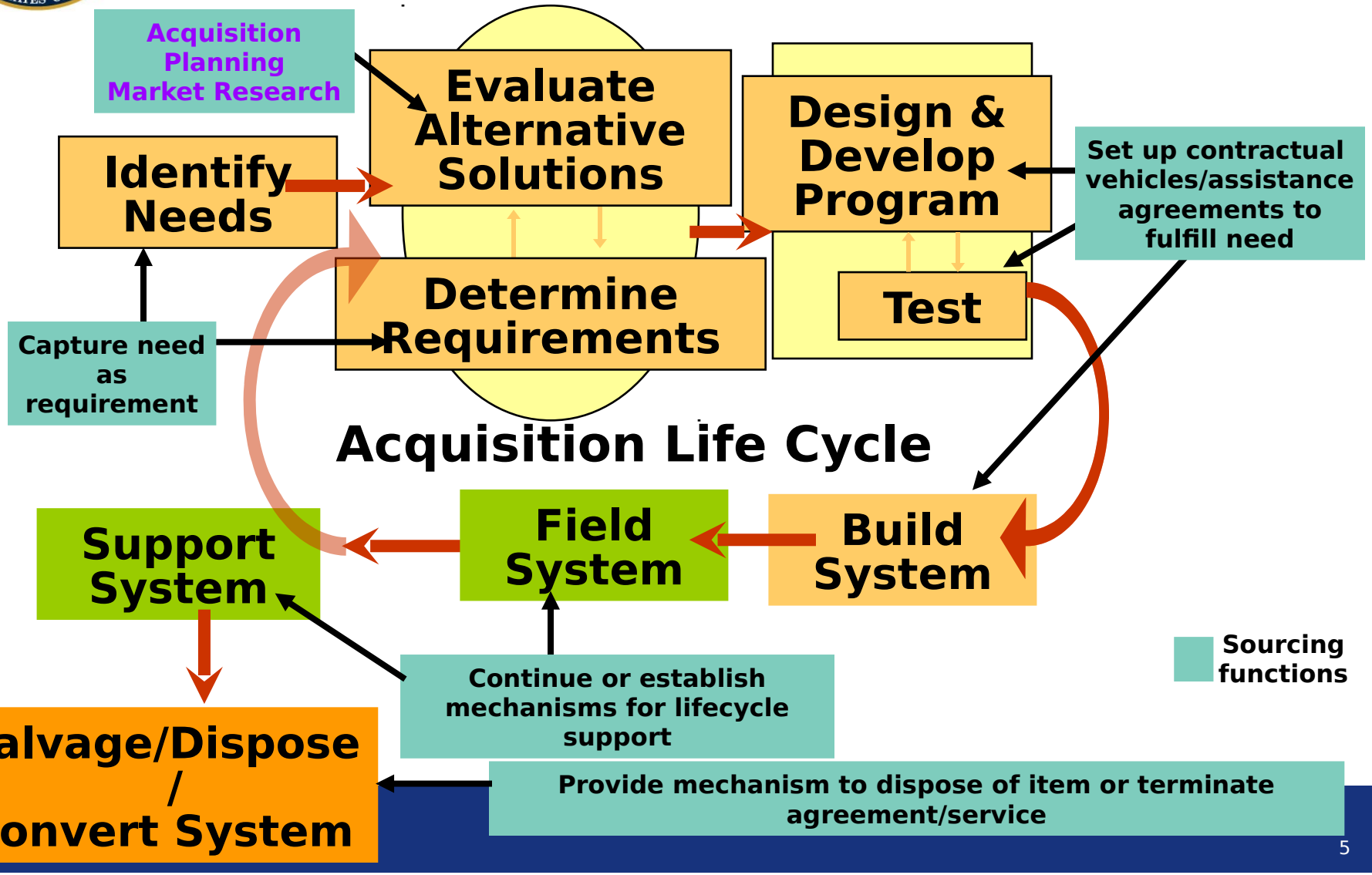
Required -- potential ACAT IA Major Automated Information Systems (MAIS)

(Any one year program cost of $32M *or* Total program cost exceeds $126M)

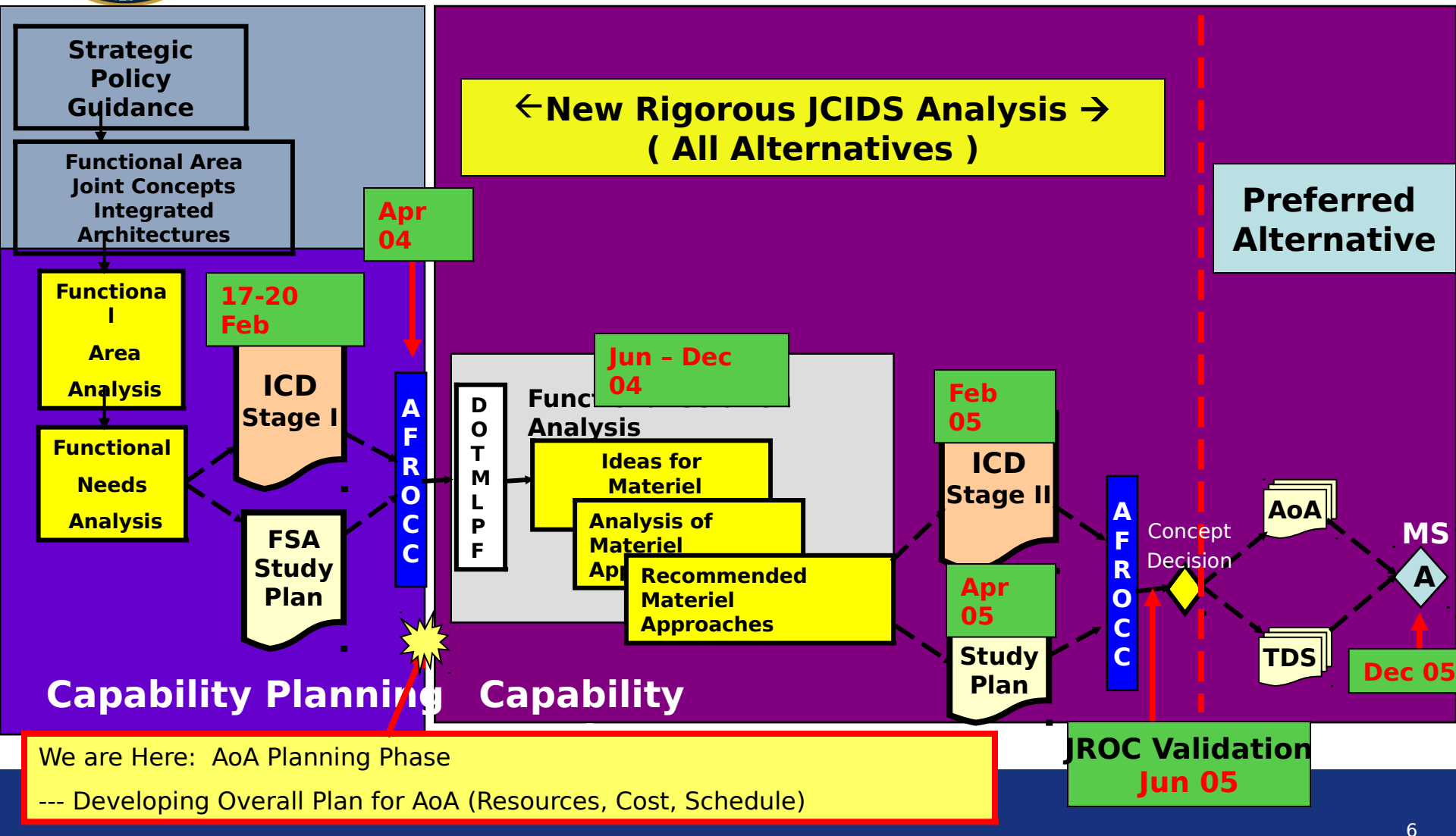
Purpose of DADS AoA

- **Purpose**: Way ahead beyond SPS V4.2
- **Scope**: First Increment in Acquisition Domain
  - Sourcing: More than contract writing, includes contract management, purchase card & assistance agreements, property valuation
- **Objective:** Enable DoD to acquire services and supplies in support of its mission in a standardized, seamless, shard data environment
- **Authority**: 26 Nov 2003 OSD AT&L Memo directed DPAP to conduct AoA, AF lead service

“Sourcing” Within the Acquisition Life Cycle



AoA Integrated Schedule



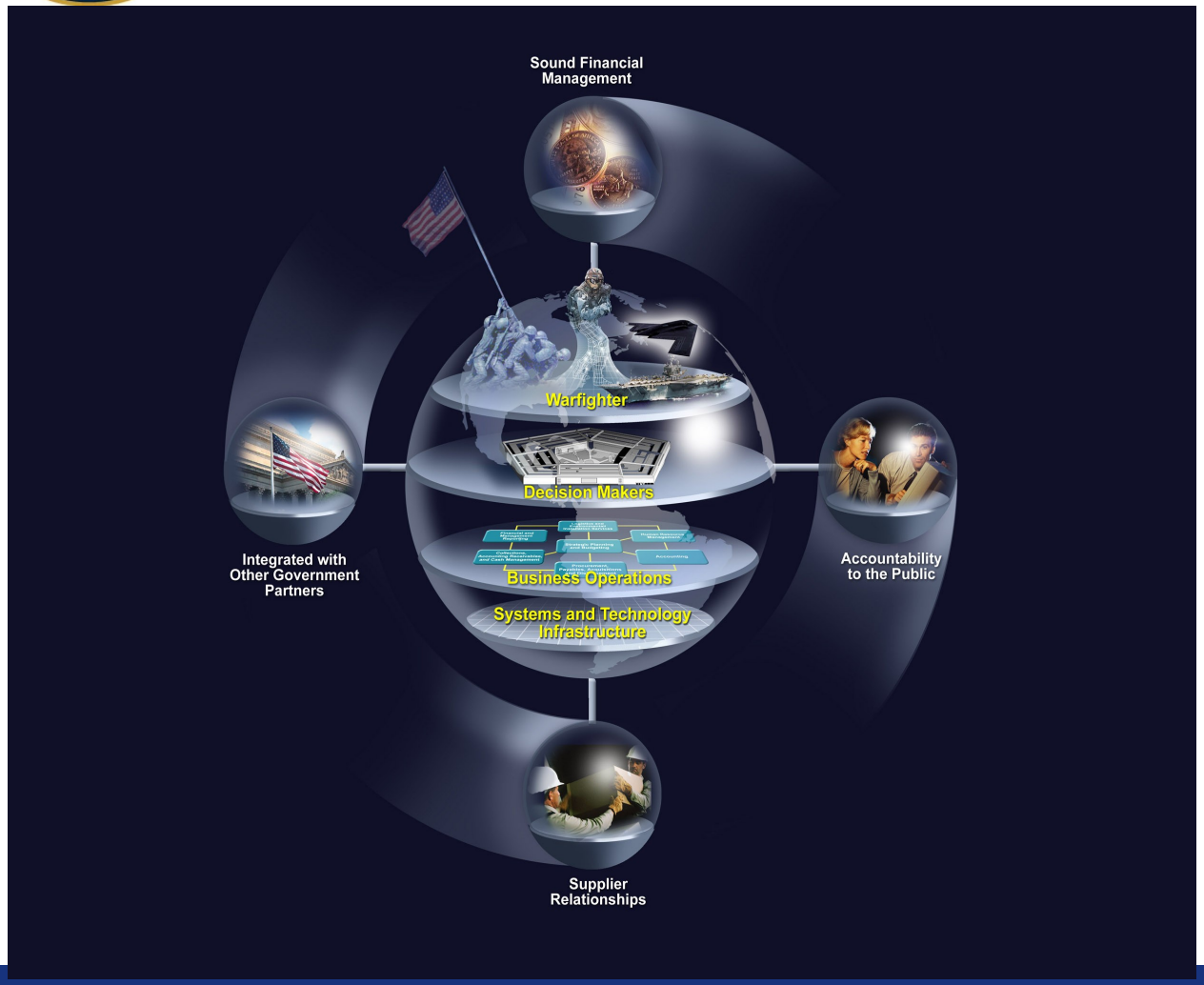
We are Here: AoA Planning Phase

--- Developing Overall Plan for AoA (Resources, Cost, Schedule)

Planned Approach Overview

- **Completed Initial Capabilities Document I (ICD I)**
  - Functional Area Analysis
  - Functional Needs Analysis
  - AFROCC approved ICD I on 22 April
- **Drafted study plan to conduct Functional Solutions Analysis (FSA) to complete ICD**
  - AFROCC validated study plan for release to AGB
  - JAEBOB coordinating through AGB, 1 Jun target date
  - AGB approval will initiate FSA start

Functional Area Analysis
"TO BE" DoD Business Enterprise Architecture



Goal is an integrated business capability throughout DoD that supports warfighter needs while maximizing taxpayer dollars and responding to Congressional & legal mandates

Tenets:

- Integrated tools, techniques, info
- Strategic acquisition capability
- Reduced acquisition costs

Functional Area Analysis
Required Capabilities

- **Timely response to customer requirements**
- **Cost effective sourcing**
- **Leveraged-enterprise buying power**
- **Timely & accurate data to support accounting & finance processes**
- **Scope includes requirement initiation through closeout/final disposition**
- **Supports FAR/DFARS & other sourcing guidance for contracts, commercial capabilities (leases & purchase card) and assistance agreements (such as grants)**
- **Flexible, adaptable, secure integration with other functional communities**

Functional Area Analysis Operational Environment

- **Any location in which US Forces operate**
  - Non-deployed & deployed (including austere)
  - CONUS and OCONUS
- **Solution will reside within the GIG**
- **Multiple operational environments**
  - **Classified and non-classified**
  - **DoD and federal customers**
  - **Commercial & intragovernmental transactions**

Functional Needs Analysis Capability Gaps

- **No visibility into Enterprise buying opportunities**
- **Can’t provide auditable financial accounting**
- **Can’t support corporate strategic acquisition management with existing methods and technology**
  - Interfaced, not integrated, agency-unique processes/tools
  - Duplicative costs in development/support of multiple systems with similar functionality

Need joint, seamless, end-to-end sourcing process to realize efficiencies in supplying goods and services to the Warfighter

Functional Solutions Analysis (FSA)

- Purpose of FSA
  - Provide objective foundation for ICD II evolution
  - Recommend preferred alternative
  - Determine focus of follow-on AoA
  - Basis for initial Technology Development Strategy
- Resulting AoA and TDS taken to MS A decision to proceed into Technology Development Phase

Functional Solution Analysis (FSA) Study Plan Methodology

FSA Study Plan Alternatives

- **Alternative 1: Status Quo**
  - SPS 4.2.2 LCC
  - Legacy system LCCs
  - 4.2.3 sunk costs at MS A
- **Alternative 2: Modified Status Quo**
  - SPS 4.2.3 testing, training, integration, fielding costs
  - SPS 4.2.3 LCC to satisfy DADS capability gaps
  - Remaining legacy system LCCs (such as BSM)
- **Alternative 3: Non-material**

FSA Study Plan Alternatives

- **Alternative 4: New program start (single acq program)**
- **Alternative 5: Integrated family of programs**
- **Alternative 6: Commercial "Enterprise" COTS-based solution**
- **Alternative 7: Commercial out-sourcing**

Study Team will identify optimal representative alternatives And CONOPS for each of the categories above

FSA Study Plan
Operational Effectiveness Analysis

- **Methodology to support analysis**
  - Develop scenarios and use cases
  - Conduct scripted exercise(s) to obtain MoEs
    - Supported by simulations or value-based models
    - Supplemented by SME assessments
- **Appropriate Models & Simulations are TBD**
  - No simulations of operational environment
  - May be value-based models
  - M&S support research is ongoing
- **Sensitivity analysis**
  - Conducted throughout EA process
  - Particular studies TBD (coord through AGB)

FSA Study Plan
Cost Analysis

- Formulate analysis plan, including scope of cost estimates
- Identify key ground rules and assumptions.
- Develop the Cost Element Structure (CES) and the Work Breakdown Structures (WBS)
- Choose cost models or other cost estimating methodologies
- Collect the appropriate data
- Perform the analysis; i.e., develop the estimates
- Conduct sensitivity and risk analysis
- Conduct Cost Benefit Analysis (CBA)
- Document the results

FSA Study Plan
Cost IPT Status

- **OSD/PA&E -- Engaged and Collaborating**
  - Provide Guidance and Sufficiency Review Final AoA and Preferred Alternative Estimate
    - Analysis IAW the OD(PA&E) IT EA Guide and Templates
  - Provide Recommendation to MDA
- **AFCAA/FMI -- Engaged and Collaborating**
  - Conduct Sufficiency Review of AoA Estimate
  - Complete Component Cost Analysis (Independent Estimate) of Preferred Alternative

- **Build Economic Analysis Development Plan (31 Aug)**
- **Team Status**
  - 7 of 12 Positions Filled
  - 3 contractor personnel in-work (Army, Navy, AF)
    - Attempting to get NCES Cost Advisor on Contract

Expectation Management & Collaboration; Minimizes Issues & Increases Probability of Success

FSA Study Plan
Alternative Comparisons

- **Study will compare and rank alternatives using cost estimates and effectiveness analysis results**
  - Phase 1 will rank based on qualitative assessment
  - Phase 2 will use quantitative and more rigorous analysis methodologies
- **In addition to cost & operational effectiveness, selection of preferred alternative(s) considers risk, schedule, environmental impact and other non-quantifiable factors**

DADS AoA Study Team Membership

VisioDocumentVisioDocument
For Official Use Only

Defense Acquisition Domain (Sourcing)
AoA Workgroup Members

AoA Management Team

Study Team Director -- Edie Ryan
Assistant Director(s) -- Carol White
Technical Mgr -- Carolyn Lee
DPAP Support — Will Bishop
SPS JPMO Support -- Linda Beckner
Work Group Leaders, Deputies

Support Contractor -- Susan Haskew
Support Contractor -- Kathy Bush
OAS Advisor (s) -- Cheryl Black
Karen Anthony
MSAP Document Mgr ~~AF~~ Ktr
Workgroup Notetaker ~~JPMO~~

Key Senior Advisors

DPAP/EB -- Mark Krzysko
NII -- Dave Mullins
PA&E -- Ron Wilson
AFMC/DR (ICD) -- Cindy Himes
AF/XOR Advisor (ICD) -- Pat Ryan
J-8 Advisor (ICD) -- Bill Cooper
PEO-EIS -- Terry Watson
DPAP Rep -- Diane Morrison
Lisa Romney
OSD Comptroller(s)

Other Senior Advisors

JITC - TBD
AFOTEC - Dave Young

ICD WG
(Stage II)
Member Rqmts: 10

1. Patricia Whitington DLA (Lead)
2. Carolyn Lee AF (Deputy)

3. Joyce Allen SPS
4. AJ Bossard AF
5. Bob Cooper Army-ACA
6. Tim Frank DCMA
7. Susan Haskew AF Ktr
8. Peg Janes (DCMA Alternate)
8. Herman Karhoff AF Ktr
9. Chuck Mills DASN
10. Jeffrey Tate AF Ktr
11. Open (DFAS desired)
12. TBD USMC

Overlap
> Rita Oates NRO
> Kevin Doyle Army

TCAD WG
Member Rqmts: 14

1. Rita Oates NRO (Lead)
2. Open (Deputy)

3. Will Bishop DPAP
4. Sabrina Buffin DCMA
5. Randall Christner DLA Ktr
6. MSgt. James Dean JntContCntr
7. Joe Ford AF
8. Pat Ingrum Army
9. Rosemary Kemp Army
10. Rick McClary JPMO Ktr
11. Mark McVay AF Ktr
12. Bradley Mudd Navy
13. Carmen Rios USMC
14. Mary Jo Johnson Navy
15. TBD DISA

Overlap
> Kathy Bush AFMC Ktr
> Bob Cooper Army-ACA
> Kevin Doyle Army
> Rob Schemmel AF
> Patricia Whitington DLA

US REPRESENTATIVES

1. Carolyn Lee AF (Facilitator)
2. Bob Cooper (Deputy Facilitator)

US Advisors

- JAEBOB members

Overlap
> MSgt. James Dean JntContCntr
> Michael O'Bar TMA

EA WG
Member Rqmts: 9

1. Kevin Doyle Army (Lead)
2. Gary Wooldridge AF (Deputy)

3. Joe Matis AF
4. Hans Jerrell DAU
5. Suzanne Curtis OSD(HA)-TMA
6. Mike Sutton AF
7. Charlotte Gooch Navy
8. Linda Dawson AF
9. Randall Christner DLA Ktr
10. TBD AF Ktr (NCES desired)
11. TBD Army Ktr 20%
12. Open IT Engineer
13. TBD Navy Ktr
14. Open

Overlap
> Bob Cooper Army-ACA
> Michael O'Bar TMA (Alternate)
> Rita Oates NRO
> MSgt. James Dean JntContCntr
> Kathy Bush AF Ktr
> Tim Inman AF
> Farris Welsh AF
> Joe Ford AF
> Patricia Whitington DLA

CA WG
Member Rqmts: 10

1. Rob Schemmel AF (Lead)
2. Open (Deputy)

3. Roger Berger DCMA
4. Stan Arnold DCAA
5. Farris Welsh AF
6. Bob Novak AF
7. TBD Army Ktr
8. TBD AF Ktr
9. TBD Navy Ktr
10. Open DFAS desired

Overlap
> Gary Wooldridge AF

AC WG

1. Cheryl Black OAS (Lead)
2. Bob Cooper Army-ACA (Deputy)

NO NEW MEMBERS
(Members are comprised of individuals from all workgroups)

WORKGROUPS:
ICD: Initial Capabilities Document
TCAD: Technology CONOPS/Alternatives Definition
US: User Stakeholder
EA Effectiveness Analysis
CA: Cost Analysis:
AC: Alternative Comparison

Next Steps

- **Prepare for start of FSA-- 1 Jun**
  - Cost IPT Training/Planning Mtg 25-27 May
  - Finalize FSA Study Plan
  - Refine Measures of Effectiveness
- **Initiated market research – 10 May RFI**
  - RFI 1 (capabilities) responses due 9 Jun
  - Industry Week (One-on-One Sessions w/Best)-- mid-July
  - RFI 2 (cost/pricing) for select responses in Jul/Aug
- **MDA Status Meeting – 8 Jun**
- **Economic Analysis Development Plan by 31 Aug**

Ground Rules and Assumptions

Ground Rules & Assumptions provide foundation for AoA - Senior Level Consensus Required

- Milestone A is 15 Dec 2005
- Definitions of alternative categories
- DADS is applicable to all DoD users
- FY06-11 POM based on new start development assuming:
  - Milestone B -- 2007
  - Milestone C -- 2009
  - IOC -- Mid 2010 (12-18 months after production start)
  - FOC -- Mid 2012 (depending on FC definition)

Conclusion

- **Outstanding support from AoA Team– still need a few more good people**
- **Review of FSA Study Plan in process**
- **Blazing new trails in capabilities process!**

BACKUP CHARTS

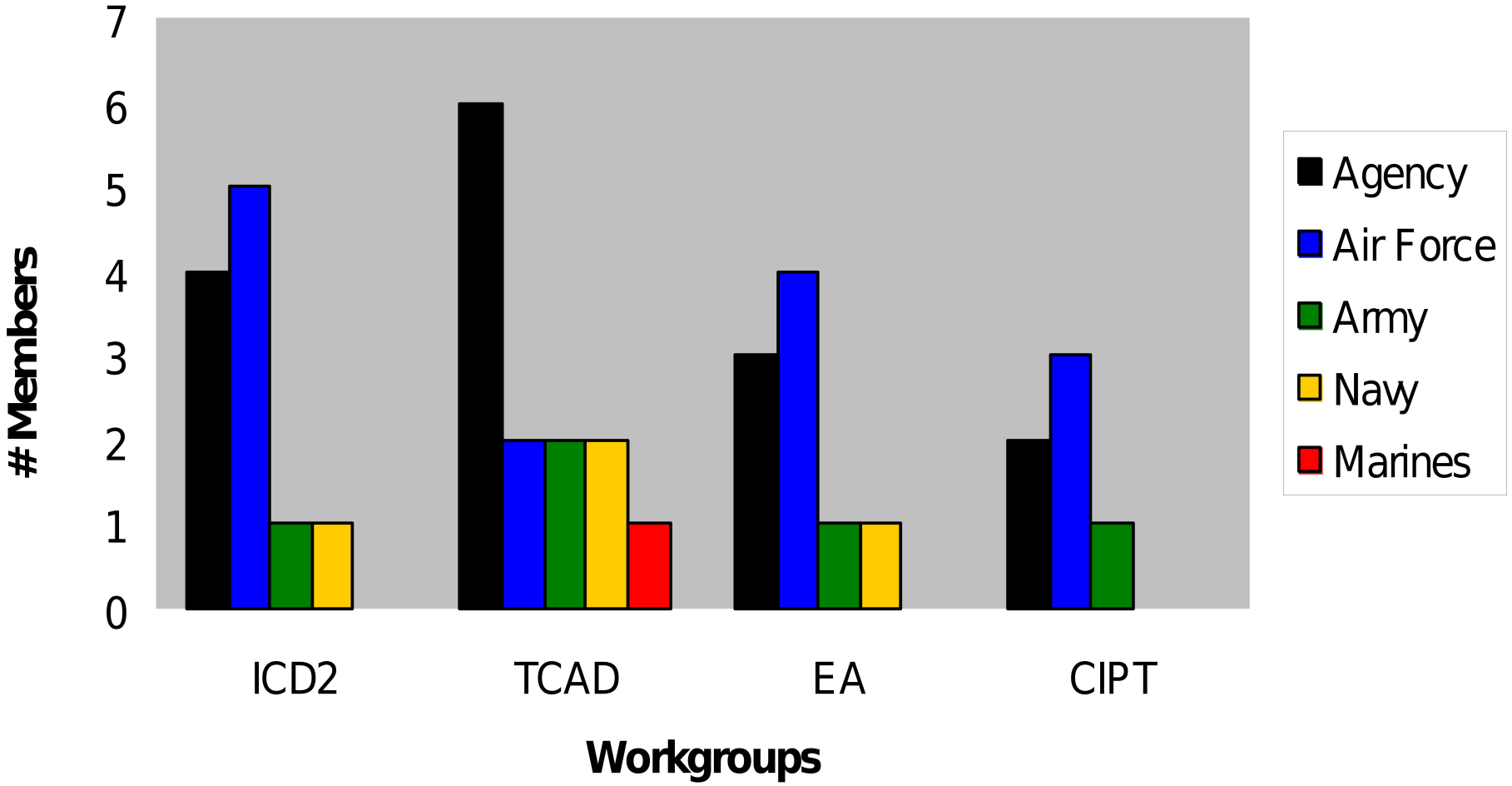
Mission Tasks (MTs) and Measures of Effectiveness (MoEs)

MT 1 – Facilitates Rapid Acquisition Cycle					**MT 2** - Supports FAR and non-FAR acquisitions						
MoE 1.1 – Single transaction data entry carries through the system	**MoE 1.2 -** Number of steps to generate/process an action	**MoE 1.3 -** Time required to generate/process an action	**MoE 1.4 -** Has auto-population of Sourcing Database from other systems	**MoE 1.5 -** Has automated routing to next process step upon completion of previous process step.	**MoE 2.1 -** Handles different instrument formats/standards	**MoE 2.2 -** Accommodates decentralized ordering	**MoE 2.3 -** Provides end-to-end (E2E) service to DoD and Federal customers	**MoE 2.4 -** Provides intra-governmental transactions both commercial and non-commercial			
MT 3 - Supports timely and accurate payment				**MT 4 -** Performs integrated functions							
MoE 3.1 - Facilitates data sharing	**MoE 3.2 -** Provides data push-pull	**MoE 3.3 -** Provides data tracking	**MoE 3.4 -** Provides error exception tracking	**MoE 4.1 -** Has flexible structure to allow synchronization and virtual sharing of information/data	**MoE 4.2 -** Provides enterprise-wide, virtual access, simple, smart modification	**MoE 4.3 -** Provides automated, paperless maintenance of data currency	**MoE 4.4 -** Provides near real-time dispersal of information	**MoE 4.5 -** Has automated inventory "hooks" to logistics systems	**MoE 4.6 -** Provides automated receipt and procession of logistics inventory buying requirements	**MoE 4.7 -** Provides automated/seamless editing and validation of data elements	**MoE 4.8 -** Employs an integrated digital environment (IDE) - paperless, uses data instead of documents, machine readable data
MT 5 - System is interoperable with other appropriate systems									**MT 6 -** Accommodates automated close-out activities		
MoE 5.1 - Provides appropriate sharing of information with foreign and/or domestic partners	**MoE 5.2 -** Provides intelligent push-pull of data based on user identification and roles	**MoE 5.3 -** Provides rapid adaptability to change information access to accommodate changes in foreign and/or domestic relations	**MoE 5.4 -** Interfaces with contractors to support electronic transaction processing	**MoE 5.5 -** Accommodates use of domestic and international commercial standard formats	**MoE 5.6 -** Employs available joint forces communication architecture	**MoE 5.7 -** Does not require specialized network equipment or licenses to access	**MoE 5.8 -** Provides seamless interaction between users	**MoE 5.9** - Complies with JTA open-standards and/or other appropriate standards	**MoE 6.1 -** Verifies payment	**MoE 6.2 -** Verifies admin actions accomplished	**MoE 6.3 -** Verifies appropriate disposal of property accomplished

Mission Tasks (MTs) and Measures of Effectiveness (MoEs)

MT 7 - Security and Information Assurance				**MT 8 -** Accommodates visibility of data		**MT 9 -** Accommodates analysis of data					
MoE 7.1 - Allows appropriate exchange of information between domains (foreign and/or domestic) operating at various levels of classification and/or sensitivity, based on "need-to-know"	**MoE 7.2 -** Controls content encoding (encryption); meets DoD encryption standards e.g. PKI, DITSCAP	**MoE 7.3 -** Protects intellectual property, source sensitive material and proprietary data/information	**MoE 7.4 -** Controls user access to DADS information and services	**MoE 8.1 -** Level of ease in accurately identifying and tracking of "contract accountable" property from procurement through final disposition	**MoE 8.2 -** Allows user to access/display past performance database	**MoE 9.1 -** Provides accurate performance measurement	**MoE 9.2 -** Provides accurate spend analysis applications				
MT 10 - System is supportable and useable											
MoE 10.1 - Level of risk associated with life-cycle support for O&S (e.g. requires new procurement, extensive modification, etc.)	**MoE 10.2 -** Functions under contingency conditions in real-time (e.g. deployed to field, different physical environments)	**MoE 10.3 -** Speed/time required to index/catalog, archive (e.g. 50-15 standard, NARA), search and retrieve information	**MoE 10.4 -** Presents information to the human user via multimedia presentation methods	**MoE 10.5 -** Processes multiple spoken and computer-based languages	**MoE 10.6 -** Provides continuous sourcing operations supported by the latest communication capabilities (e.g. web-based)	**MoE 10.7 -** Degree of scalability to allow for expansion of surge capacity, future growth and level of activity	**MoE 10.8 -** Degree of ease in allowing new technology insertion	**MoE 10.9 -** Degree of flexibility to accommodate changes to system requirements	**MoE 10.10** – Configurable to meet special customer needs	**MoE 10.11** – Web-centric	**MoE 10.12** – Data and business rules are independent from the code.

AoA Workgroup Joint Composition



AoA Workgroup Vacancies